

Message Text

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C O N F I D E N T I A L MOSCOW 17306

USDOC FOR BEWT

E. O. 11652: GDS
TAGS: EGEN, PFOR, UR, IN
SUBJECT: FUTURE SOVIET ECONOMIC LEADERS - AN INDIAN OBSERVATION

1. DURING A CONVERSATION NOVEMBER 28 ON SOVIET
ECONOMIC ASSISTANCE TO INDIA (SEPTTEL), THE ECONOMICS
MINISTER IN THE INDIAN EMBASSY, ARORA, MADE SOME OBSERVATIONS
ON SOVIET ECONOMIC AND PARTY PERSONALITIES
WHICH OFFER AN INTERESTING SIDELIGHT ON SOVIET PERFORMANCE.

2. ACCORDING TO ARORA, WHO CONCEDED THAT HIS ACCESS
TO GOVERNMENT FIGURES IN RECENT YEARS HAS FAR EXCEEDED THAT TO
PARTY OFFICIALS, CONTRASTED THE RELATIVE OBJECTIVITY OF THE
FORMER TO THE HARDNESS OF THE LATTER. ARORA SPECULATED
THAT ON TOP OF THE COMBINED HEAP, BREZHNEV LIKES TO
SEE HIMSELF AS SOMETHING OF AN ECONOMIC REFORMER, WHEREAS
IN PRACTICE THE PARTY BUREAUCRACY HAS EFFECTIVELY FROZEN
ALL BUT THE MOST MODEST CHANGES OF THE SYSTEM.
THE TOP SEPTUAGENARIAN ECHELON OF THE ECONOMIC
LEADERSHIP MANIFESTS THE SAME RIGIDITY, BUT ONE
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GENERATION BEHIND ARE INDIVIDUALS WHO SEEM FAR
LESS WEIGHTED WITH ENCRUSTED IDEOLOGICAL LAYERS.

3. AS AN EXAMPLE OF YOUNGER AND MORE PRAGMATIC
LEADERS, ARORA CITED VIKTOR I. LITVIFNKO, WHO
ARORA SAID WAS RECENTLY NAMED AS A DEPUTY CHAIRMAN
OF THE STATE COMMITTEE FOR FOREIGN ECONOMIC RELATIONS

(GKES), WHO HAS BEEN AN ACTIVE INTERLOCUTOR OF THE INDIANS. HE DESCRIBED LITVINENKO, WHO IS ALSO CHAIRMAN OF TYAZHPROMEKSPORT, THE FOREIGN TRADE ORGANIZATION FOR AID IN BUILDING STEEL, MINING, COAL AND OIL INDUSTRY ENTERPRISES, AS A MAN WITH WHOM ONE CAN DISPASSIONATELY TALK BUSINESS WITHOUT HAVING TO HEAR FIRST ABOUT THE UNDYING FRIENDSHIP OF THE SOVIET AND INDIAN PEOPLES. BY CONTRAST, THE MAN HE REPLACED AT GKES, VASILY A. SERGEYEV, WAS AN OLD STYLE BUREAUCRAT WHO, ACCORDING TO ARORA, WOULD GLADLY HAVE FOLLOWED THE GRAND OLD SOVIET TRADITION OF NEVER RETIRING VOLUNTARILY, HAD IT NOT BEEN FOR A HEART ATTACK THAT FORCED IT UPON HIM.

4. ARORA MENTIONED IN THE SAME BREATH DEPUTY MINISTERS OF FOREIGN TRADE ALEKSEY MANZHULO AND BORIS GORDEYEV, BOTH OF WHOM IN HIS EXPERIENCE ARE PRAGMATIC AND OBJECTIVE, SEEMINGLY FREE FROM THE CRUDER ASPECTS OF IDEOLOGY. STATE BANK CHAIRMAN ALKHIMOV IS ANOTHER OF THIS GENRE. HE MENTIONED WITH A LAUGH THAT MINISTER OF FOREIGN TRADE PATOLICHEV SEEMS TO BE GETTING ON IN YEARS, ALTHOUGH HE HAD HEARD OF NO INDICATION THAT PATOLICHEV MIGHT SOON BE STEPPING ASIDE FOR A YOUNGER MAN.

5. WHILE THE GRADUAL ACCESSION TO POWER OF
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YOUNGER AND MORE TECHNICALLY-ATTUNED INDIVIDUALS WOULD SEEM TO ARGUE FOR A MODERNIZATION OF SOVIET ECONOMIC ACTIVITY, ARORA SAID, HE DID NOT SENSE ANY SIMILAR PROGRESSION IN PARTY RANKS. TOGETHER WITH THE VESTED INTEREST OF THE SOVIET MILITARY ESTABLISHMENT IN MAINTAINING ITS HEAVY SLICE OF THE SOVIET ECONOMIC PIE, HE THOUGHT, THE PARTY BUREAUCRACY STILL SEEMS TO POSE A FORMIDABLE OBSTACLE IN THE PATH OF WOULD-BE ECONOMIC REFORMERS.

6. COMMENT: WHILE ARORA'S COMMENTS ARE SUPPORTIVE OF, RATHER THAN CONTRADICTORY TO, GENERAL OBSERVATIONS OF SOVIET SOCIETY, WE FELT THEY WERE WORTH REPORTING BECAUSE HE IS A PERCEPTIVE AND EXPERIENCED OBSERVER OF THE SOVIET SCENE WHO HAS HAD CONSIDERABLE DEALINGS WITH HIS SOVIET COUNTERPARTS IN BOTH THE INDIRA GANDHI AND DESAI PERIODS.
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